JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Dep

Department of Veterans Affairs (VA)
Office of Acquisition Operations
Technology Acquisition Center
23 Christopher Way
Eatontown, NJ 07724

- 2. <u>Description of Action</u>: The proposed action is for a firm-fixed-price delivery order (DO) issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) V Governmentwide Acquisition Contract (GWAC).
- 3. Description of Supplies or Services: This proposed action is for brand name International Business Machines (IBM) Rational System Architect for Federal Enterprise Architecture (FEA) plug-in software licenses and brand name IBM Rational Performance Tester Extension for service-oriented architecture (SOA) plug-in software licenses and associated maintenance. IBM Rational System Architect for FEA software licenses allows VA to display agile architecture models created by currently implemented IBM Rational System Architect information modeling took to ensure compliance to the national FEA technical standards. VA requires the aforementioned plug-in software licenses to the IBM Rational System Architect for FEA software licenses in order to allow VA to be compliant with VA Architecture and FEA requirements. The aforementioned software licenses do not have a user interface; it is a background reference to an FEA library of requirements. The IBM Rational Performance Tester Extension for SOA software licenses allows users to use the tools when the product is calling web services to test performance of the interface between the product and the web SOA web based product. The total price of the proposed action is
- 4. <u>Statutory Authority</u>: The statutory authority permitting an exception to fair opportunity is Section 41 U.S.C. 4106(c)(2) as implemented by the Federal Acquisition Regulation (FAR) 16.505(b)(2)(i)(B), entitled "Only one awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized."
- 5. <u>Rationale Supporting Use of Authority Cited Above</u>: This is a brand name justification in accordance with FAR 11.105, Items Peculiar to One Manufacturer. Both of the aforementioned software licenses and associated maintenance are add-ons to the existing VA implemented products and are necessary to customize the use of the existing tools to specific implementation for configuration choices. Only IBM or an authorized reseller can provide the aforementioned software licenses and associated maintenance since the required IBM software tools are proprietary. Software maintenance, software updates, manufacturer telephone and/or web-based technical support services, proper tool usage procedures and the configuration and customization of its tool repositories requires advanced expertise in tool internals, tool functionality,

database configuration, operating systems, and other product dependencies; only the tool manufacturer or its authorized resellers can supply these services. Furthermore, IBM indicated in May 2015 that it is not willing to sell its proprietary structure codes to the Government for the subject software in order for the Government to perform the associated maintenance. The aforementioned brand name software licenses and associated maintenance products allow proposed VA systems solutions to be validated against federal architecture and VA user performance acceptability standards. Failure to procure the aforementioned software licenses and associated maintenance places OI&T at risk of releasing Veteran-facing and business/clinical operations solutions which are unable to sustain usability during the high performance demands. Furthermore, system solutions will not be structured to perform under demand during peak usage and scalability.

- 6. Efforts to Obtain Competition: Market research was conducted, details of which are in the market research section of this document. This effort did not yield any additional sources that can meet the Government's requirements. It was determined, however, that limited competition is viable among authorized resellers for the aforementioned brand name software licenses, maintenance and support. In accordance with FAR 5.301 and 16.505(b)(2)(ii)(D), this action will not be synopsized at award on the Federal Business Opportunities Page and the justification will not be made publicly available within 14 days of award as this effort's estimated value is less than \$150,000. In accordance with FAR 16.505(a)(4)(iii)(A), the justification will be posted in conjunction with the solicitation on the NASA SEWP V GWAC.
- 7. Actions to Increase Competition: The Government will continue to conduct market research to ascertain if there are changes in the market place that would enable future actions to be competed. The program office will continue to monitor the market for availability of other software development tools, including open source products that may near a competitive position, that are compatible with VA's infrastructure, and will continually conduct test and evaluation of those tools when feasible for consideration during the next competitive procurement and or technology refresh.
- 8. Market Research: The Government's technical experts conducted market research in May 2015 by reviewing other similar software. This market research is an ongoing process and is continuously being conducted through subscription services with research organizations (such as Forrester Research and Gartner Research), review of publically available Magic Quadrant and other white papers, VA side-by-side review of multiple competing products already in use in VA, review of professional trade publications specific to the processes the tools implement, attendance at national conferences hosted by vendors, and research on NASA SEWP V GWAC for alternate manufacturers. The other similar software reviewed included products manufactured by Microsoft, Computer Associates, Serena, Remedy, as well as several open source products. Based on reviews of these products, the Government's technical experts determined that none of these products can meet the Government's interoperability and compatibility requirements previously discussed. Furthermore, methodology used by IBM has proprietary data that will be lost if migration to another product line is necessary. Due to the reliance VA has upon the proprietary data and methodology in a

large scale implementation, loss of data is not acceptable. Also due to the proprietary nature of these systems, IBM is the only provider who is authorized to sustain the data structures and decision framework that provide pivotal and essential features of this fully integrated product line supporting all software development lifecycle activities to be controlled and reported through a single dataset. VA has not identified any other provider of software development tools that has enabled the level of tool integration as currently defined.

In May 2015, additional market research was conducted under the NASA SEWP V GWAC. Numerous authorized resellers were found that could provide the brand name IBM Rational System Architect for FEA software licenses and brand name IBM Rational Performance Tester Extension for SOA software licenses and associated maintenance.

9. Other Facts: None.

10. Technical and Requirements Certification: I certify that the supporting data under my cognizance, which are included in this justification, are accurate and complete to the best of my knowledge and belief.

Julie S. Harvey

Date: <u>May 5, 2015</u>

Senior Program Director

11. Fair and Reasonable Cost Determination: I hereby determine that the anticipated price to the Government for this contract action will be fair and reasonable based on the expectation of limited competition. Additional price analysis will be conducted consisting of a comparison utilizing the Independent Government Cost Estimate, published commercial pricing, and the awardee's NASA SEWP V GWAC catalog pricing.

Iris Farrell

Procuring Contracting Officer

12. Procuring Contracting Officer Certification: I certify that this justification is accurate and complete to the best of my knowledge and belief. As this contract action does not exceed \$650,000, the certification below required by FAR 16.505(b)(2)(ii)(C)(1) serves as approval.

Iris Farrell

Procuring Contracting Officer